Alberta
Minimum Wage Profile
April 2015 - March 2016

Alberta

Introduction

The *Alberta Minimum Wage Profile* presents current information on persons whose average hourly earnings[1] are at or below minimum wage in Alberta and other provinces. Statistics include the percentage of employees[2] earning at or below minimum wage in each province plus the characteristics for those persons in Alberta.

The profile is based on minimum wage rates that are effective for two reference periods: April 1, 2014 to March 31, 2015 and April 1, 2015 to March 31, 2016.

Interprovincial Analysis

Over the two reference periods, Alberta's minimum wage rose from $10.20 on September 1, 2014 to $11.20 on October 1, 2015. The number of employees earning at or below minimum wage in Alberta increased over the two reference periods from 41,700 to 59,200 or from 2.2% to 3.1%, tied with Saskatchewan for lowest percentage of minimum wage earners among the Canadian provinces. For Canada, the proportion decreased between the two periods to 7.4% from 6.9% as provinces raised their minimum wages (Figure 1, 3).

Between March 31, 2015 and March 31, 2016, nine provinces and two territories raised their minimum wage rates (Figure 2).

Five provinces and two territories have scheduled increases to their minimum wage rates in 2016. Figure 4 shows a summary of upcoming minimum wage increases in 2016 (For more information, see Appendix B).

Figure 1: Percentage of Employees Earning Minimum Wage

	April 2014 - March 2015	April 2015 - March 2016
Alberta	2.2%	3.1%
Canada	7.4%	6.9%

Figure 2: Provinces with Increases in Minimum Wage between March 31, 2015 and March 31, 2016

Province	31-Mar-15	31-Mar-16
Ontario	$11.00	$11.25
Quebec	$10.35	$10.55
Yukon	$10.72	$10.86
Nova Scotia	$10.40	$10.60
Manitoba	$10.70	$11.00
Newfoundland	$10.25	$10.50
Prince Edward Island	$10.35	$10.50
Saskatchewan	$10.20	$10.50
Alberta	$10.20	$11.20
Northwest Territories	$10.00	$12.50
British Columbia	$10.25	$10.45

Figure 3: Percentage of Employees Earning Minimum Wage by Province

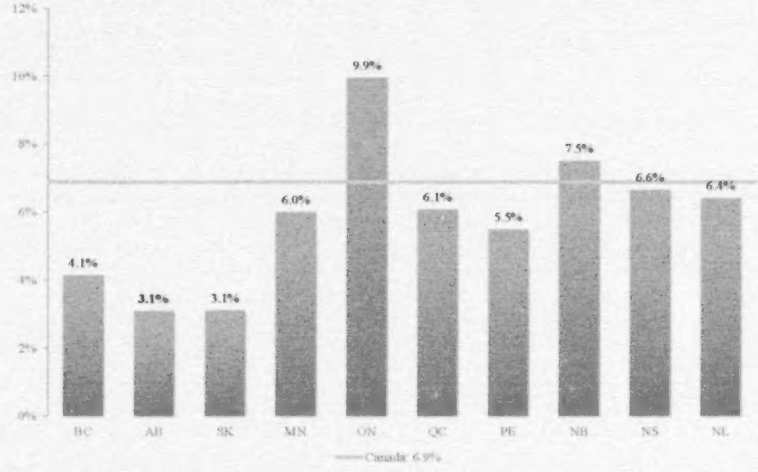

Figure 4: Provinces with Upcoming Minimum Wage Increases

Province	Minimum Hourly Wage Rate as of March 31, 2015	New Minimum Hourly Wage Rate	Effective Date
Ontario	$11.25	$11.40	October 1, 2016
Prince Edward Island	$10.50	$10.75	June 1, 2016
		$11.00	October 1, 2016
Quebec	$10.55	$10.75	May 1, 2016
New Brunswick	$10.30	$10.65	April 1, 2016
Nova Scotia	$10.60	$10.70	April 1, 2016
Yukon	$10.86	$11.07	April 1, 2016
Nunavut	$11.00	$13.00	April 1, 2016

[1] *See definition (Average hourly earnings) in Appendix A*
[2] *See definition (Employees) in Appendix A*

At 32.7%, the 15 to 19 year old group remained the largest group of minimum wage earners in Alberta, and the 20 to 24 year old group was the second largest in the April 2015 to March 2016 period (Figure 5).

The proportion of minimum wage earners increased for the following three age groups in the April 2015 – March 2016 period compared to the April 2014 – March 2015 period:
20 to 24 years, up 2.3 percentage points;
25 to 29 years, up 1.6 percentage points;
and 55 years and over, up 3.5 percentage points.

There were proportionately fewer minimum wage earners in all other age groups in the current reference period compared to the previous period (Figure 5).

Just over half, or 56.7%, of minimum wage earners worked part-time between April 2015 and March 2016 (Figure 6).

As in the previous reference period, a larger proportion, or 76.7% of minimum wage earners were in permanent employment (Figure 7).

During the current reference period, 45.0% of minimum wage earners were parents of which 15.5% were single earner families with children (Figure 8).

During the current reference period, 44.0% of minimum wage earners were living with their parents. Another 7.1% were the main income earner in their household and had children under 18 (Figure 9).

Figure 5: Proportion of Alberta Minimum Wage Earners by Age (years)

	April 2014 - March 2015	April 2015 - March 2016
15-19	33.5%	32.7%
20-24	15.6%	17.9%
25-29	8.0%	9.6%
30-34	9.5%	6.6%
35-39	7.0%	6.4%
40-44	6.8%	5.7%
45-49	4.1%	3.6%
50-54	4.0%	2.4%
55+	11.6%	15.1%
Total	100.0%	100.0%

Figure 6: Proportion of Alberta Minimum Wage Earners by Type of Work

	April 2014 - March 2015	April 2015 - March 2016
Full-Time	48.9%	43.3%
Part-Time	51.1%	56.7%
Total	100.0%	100.0%

Figure 7: Proportion of Alberta Minimum Wage Earners by Job Permanence

	April 2014 - March 2015	April 2015 - March 2016
Permanent	72.3%	76.7%
Temporary*	27.7%	23.3%
Total	100.0%	100.0%

**includes seasonal, temporary, and casual employees.*

Figure 8: Proportion of Alberta Minimum Wage Earners by Family Type

	April 2014 - March 2015	April 2015 - March 2016
Married, Dual earners with Children	27.2%	29.5%
Married, Dual earners no children	23.7%	20.4%
Married, Single earner no children	8.2%	6.6%
Married, Single earner with children	7.6%	8.5%
Other	14.7%	15.9%
Single Parent with children	5.8%	7.0%
Unattached individual	12.8%	12.1%
Total	100.0%	100.0%

Note: Children are only considered if under 18

Figure 9: Proportion of Alberta Minimum Wage Earners by Position in Household

	April 2014 - March 2015	April 2015 - March 2016
Head of house hold	29.9%	31.9%
With Children	5.9%	7.1%
No Children	24.1%	24.8%
Other	7.2%	6.7%
Parent (or parent in law)	3.1%	2.4%
Son or daughter (or Son or daughter in law)	42.0%	44.0%
Spouse	17.8%	14.9%
Total	100.0%	100.0%

Note: Children are only considered if under 18

Of all minimum wage earners, 40.6% had less than one year of job tenure in the April 2015 – March 2016 reference period. The proportion that had one to five years of job tenure was 41.3%, which was higher than the 38.1% in the previous reference period. Overall, the proportion of minimum wage earners who had job tenure of five years or less decreased from 83.2% in the previous period to 82.0% in the current reference period (Figure 10).

Between April 2015 and March 2016, more than half, or 53.0%, of Alberta's minimum wage earners were employed in two industries: Retail Trade and Accommodation and Food Services. Another 9.2% of Alberta's minimum wage earners were employed in Other Services (Figure 11).

Between April 2015 and March 2016, more than half of Alberta minimum wage earners worked in the following three occupational groups: Sales and service occupations n.e.c.[3], 27.9%; Retail salespersons, sales clerks, cashiers, including retail trade supervisors, 24.3%; and Chefs, cooks, and food and beverage service, including supervisors, 9.5% (Figure 12).

Of all Alberta minimum wage earners over the April 2015 to March 2016 period, 27.8% had some high school as their highest level of education and 27.4% had high school diplomas as their highest level of education. The proportion with less than high school was lower in the current period, at 31.5%, compared to the previous period, at 33.5% (Figure 13).

Females made up 61.2% of the minimum wage earners in Alberta in the current reference period, which is higher than the 60.4% in the previous period. The proportion of male minimum wage earners from April 2015 to March 2016 was 38.8% (Figure 14).

Figure 10: Proportion of Alberta Minimum Wage Earners by Job Tenure

	April 2014 - March 2015	April 2015 - March 2016
Less than One Year	45.1%	40.6%
One to Five Years	38.1%	41.3%
More than Five Years	16.8%	18.0%
Total	100.0%	100.0%

Figure 11: Proportion of Alberta Minimum Wage Earners by Industry

	April 2014 - March 2015	April 2015 - March 2016
Accommodation and Food Services	30.3%	25.4%
Retail Trade	20.7%	27.7%
Other Services (except Public Administration)	5.9%	9.2%
Information, Culture and Recreation	3.9%	5.8%
Educational Services	5.5%	4.9%
All Other Industries	33.8%	27.1%
Total	100.0%	100.0%

Figure 12: Proportion of Alberta Minimum Wage Earners by Occupation

	April 2014 - March 2015	April 2015 - March 2016
Sales and service occupations n.e.c.[3]	*	27.9%
Retail sales persons, sales clerk, cashiers	*	24.3%
Chefs, cooks, food and beverage service	*	9.5%
Clerical, Financial, secretarial and administrative	*	7.3%
Childcare and Home Support Workers	*	5.7%
All other occupations	*	25.3%
Total	*	100.0%

** Data not available at the moment due to the shift by Statistics Canada from the 2006 National Occupational Classification (NOC) System to the 2011 NOC System. As soon as Statistics Canada is able to generate the historical data using the 2011 NOC system, this table will be updated.*

Figure 13: Proportion of Alberta Minimum Wage Earners by Highest Educational Attainment

	April 2014 - March 2015	April 2015 - March 2016
0-8 Years (Elementary)	6.5%	3.7%
Some High School	27.0%	27.8%
High School Graduate	28.0%	27.4%
Some Post-Secondary	8.4%	7.7%
Post-Secondary Certificate or Diploma	16.8%	19.6%
University Degree	13.3%	13.8%
Total	100.0%	100.0%

Figure 14: Proportion of Alberta Minimum Wage Earners by Gender

	April 2014 - March 2015	April 2015 - March 2016
Female	60.4%	61.2%
Male	39.6%	38.8%
Total	100.0%	100.0%

[3] *Not elsewhere classified*

Appendix A

Methodology

The data for this profile are gathered from the Labour Force Survey (LFS) conducted by Statistics Canada. Each month, the Labour Economics and Statistics Unit of Alberta Labour receives LFS files from Statistics Canada. This includes a microdata file, which contains the complete file of all LFS responses.

The minimum wage analysis is performed on the microdata using the statistical software package SAS. The Canadian territories are excluded from this analysis. Twelve-month averages are used to ensure the results are not affected by seasonality. The microdata files for each of the twelve months examined are combined into one large data set and annual averages are then calculated. In this profile, the results are an average of the April 2015 to March 2016 numbers.

Minimum wage rates often change; therefore the minimum wage profile will differ from one report to the next.

Occupational and industrial classifications were based on the following.

Occupation
National Occupational Classification for Statistics 2011
http://www5.hrsdc.gc.ca/NOC/English/NOC/2011/Welcome.aspx

Industry
North American Industry Classification System – Canada 2007
http://www.statcan.gc.ca/pub/12-501-x/12-501-x2007001-eng.pdf

All data on the number of minimum wage earners and their characteristics are from Statistics Canada, LFS microdata files.

Definitions

These definitions are from Statistics Canada, except for "Employees" and the occupational and industrial groups.

Employees
In this analysis, people who were either self-employed or listed as having an hourly wage rate of $0.00 were removed from the overall employment figure to determine the number of employees. Please note that the number of employees in organizations is different from the employment figure for Alberta.

Full-Time Employees
People who usually work 30 hours or more per week at their main or only job.

Minimum Wage Earner
People whose average hourly earnings are equal to or less than the minimum wage rate. Some employees fall outside the scope of the Employment Standards Code's minimum wage provisions and may earn less than minimum wage. See Section 8 of the Employment Standards Regulation and section 2(3)(g) of the Code for more information.

Occupations in Social Science, Government Service and Religion
Occupations in this major group include Recreation, sports and fitness program supervisors and early childhood educators and assistants.

Other Services (except Public Administration) Industry
Consists of establishments engaged in repairing or performing general maintenance on motor vehicles, machinery, equipment, and other products; providing personal care services, funeral services, laundry services and other services to individuals, such as pet care services and photo finishing services; organizing and promoting religious activities, supporting various causes through grant-making, advocating (promoting) social and political causes, and promoting and defending the interests of their members. Private households are also included.

Part-Time Employees
People who usually work less than 30 hours per week at their main or only job.

Permanent Job
A permanent job is one that is expected to last as long as the employee wants it, given that business conditions permit. There is no pre-determined termination date.

Sales and Service Occupations n.e.c.
Occupations in this major group are primarily concerned with providing services not elsewhere classified in other Sales and service occupational groups, non-store retail sales not elsewhere classified and providing services related to sales. Examples of occupations in this category include Attendants in recreation and sport as well as supervisors.

Temporary Job
A temporary job has a predetermined end date, or will end as soon as a specified project is completed. Included in temporary jobs are seasonal, temporary, term or contract jobs; also include work done through a temporary help agency; casual jobs; and other temporary work.

Average hourly earnings
Average hourly earnings before taxes and other deductions, and include tips, commissions and bonuses. Because tips, commissions and bonuses are included, the analysis may not include all minimum wage earners. This variable is not exclusive to wage earners and includes employees who are salaried, work on commission and other pay schemes. Because it is just based on hourly earnings and not hourly wage the analysis may include persons who are not minimum wage earners.

Appendix B

Fact Sheet: Minimum Hourly Wage Rates

Province	Current Rate(s) and Ranking[i]	Effective Date	Other rates	Effective Date
NT	$12.50 (1st)	1-Jun-15		
ON	$11.25 (2nd)	1-Oct-15	$10.55 (student)[ii]	1-Oct-15
			$9.80 (liquor servers)	
			$56.30 & $112.60 per day (hunting & fishing guide)[iii]	
			$12.40 (homeworker's wage)	
AB	$11.20 (3rd)	1-Oct-15	$10.70 (liquor servers)[iv]	1-Oct-15
MB	$11.00 (4th)	1-Oct-15		
NU	$11.00 (4th)	1-Jan-11		
YK	$10.86 (6th)	1-Apr-15		
NS	$10.60 (7th)	1-Apr-15	$10.10	1-Apr-15
			(first three months of employment)[v]	
QC	$10.55 (8th)	1-May-15	$9.05 (service industry workers)[vi]	1-May-15
SK	$10.50 (9th)	1-Oct-15		
PE	$10.50 (9th)	1-Jul-15		
NL	$10.50 (9th)	1-Oct-15		
BC	$10.45 (12th)	15-Sep-15	$9.20 (liquor servers)	15-Sep-15
			$104.50/day (live in home support workers)	
			$83.60/day (live in camp workers)	
NB	$10.30 (13th)	31-Dec-14		

Source: Alberta Employment Standards

Notes:

[i] In many jurisdictions, special minimum, wage rates apply to certain specific occupations (e.g., domestics, salespersons, crop harvesters and employees who usually receive gratuities).

[ii] These rates apply to students under 18 who are employed up to 28 hours in a week, or during a school holiday.

[iii] $56.30 is the rate for working less than five consecutive hours in a day while $112.60 is the rate for working five or more hours in a day whether or not the hours are consecutive

[iv] In Alberta, liquor servers are defined as employees who serve alcohol to customers as a regular part of their job in a licensed establishment. This includes bartenders, waiters and waitresses

[v] In Nova Scotia, the term refers to those who have not been employed for more than three months by any employer to do the work for which they are presently employed.

[vi] for employees receiving tips.

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http://work.alberta.ca/labour/labour-market-information.html
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